

The Importance of Immigration in Central Minnesota

Central Minnesota is now home to **just under 710,000 residents**, after welcoming **25,000 new people** since 2010. Though the 13-county planning region enjoyed a natural increase – more births than deaths – of 26,949 people, Central Minnesota suffered an **out-migration of 7,994 people** who left to

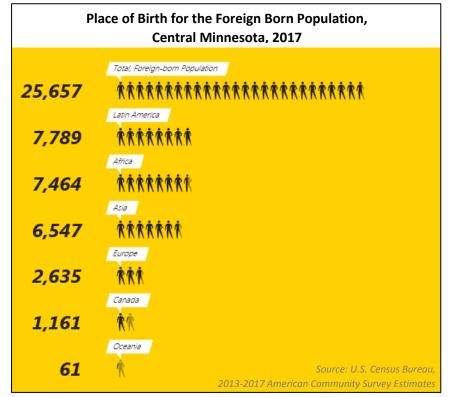
live elsewhere. Lost in the shadow of that outflow, however, was the region's international net in-migration of 6,217 new foreign-born Minnesotans, which offset some of the domestic losses.

Cumulative Estimates of the Components of Population Change in											
Central Minnesota, 2010-2017											
	2010-2017	April 1, 2010 to July 1, 2017									
2017	Estimated	Vital Events			Net Migration						
Population	Population	Natural				Inter-					
Estimate	Change	Increase	Births	Deaths	Total	national	Domestic				
709,007	+25,022	+26,949	63,441	36,492	-1,777	+6,217	-7,994				
Source: U.S. Census Bureau, Population Estimates Program											

According to the U.S. Census Bureau's American Community Survey, Central Minnesota is now home to **25,657 foreign born residents**, or about **3.7 percent of the total population**. The number of immigrants in the region increased by **43.4 percent** from 2010 to 2017, outpacing the statewide growth rate of 22.2 percent.

Just over 30 percent (7,789 people) of these immigrants were from Latin America, including 4,784 people from Mexico. Already the largest immigrant group, the region gained 1,212 additional residents from Latin America between 2010 and 2017, an 18.4 percent gain.

The fastest growing wave of new immigrants to Central Minnesota came from **Africa**, increasing by more than 5,000 people from 2010 to 2017, a 214 percent jump. The largest contingent – more than 5,400 people – is from Eastern Africa, primarily **Somalia**, which swelled 245 percent since 2010.



The third largest number of foreign born residents were from **Asia**. Over 2,700 of these immigrants came from Southeast Asia, primarily from the **Philippines**, **Vietnam** and **Laos**; and 1,924 people were from Eastern Asia, including **Korea** and **China**.

Another 2,635 foreign born residents were from **Europe**, which was a 10.6 percent decline compared to 2010. Central Minnesota saw a 37 percent increase in the number of immigrants from **Canada** from 2010 to 2017, now comprising 1,161 people. The smallest number (61 people) of foreign born residents in the region was from **Oceania**, which includes Australia and New Zealand.



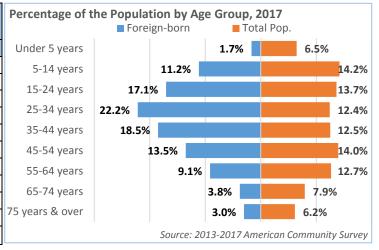
Based on year of entry, **Central Minnesota's foreign born population was "newer"** than the rest of the state and the nation. Just under 30 percent of the region's immigrants entered the U.S. since 2010 and another 32 percent entered since 2000, compared to 21.5 and 33.4 percent statewide, respectively. The remaining 38.5 percent of immigrants in the region settled in the U.S. prior to 2000.

Well over half (57.1%) of foreign born residents in Central Minnesota were not U.S. citizens, compared to just under half (49.7%) of immigrants in the state. The other 42.9 percent of immigrants in the region have become naturalized citizens. Across the board, the longer that foreign born residents have lived in the U.S., the more likely they are to have become naturalized – just 11.3 percent of immigrants in the region that entered since 2010 were U.S. citizens, compared to 75 percent of residents who entered before 1990.

Ready and Willing to Work

Not surprisingly, **immigrants have a much younger age profile** than the native born population. In 2017, about 54 percent of the foreign born population were in their prime working years between 25 and 54 years of age, compared to just 39 percent of the total population. Over one in every five (22.2%) immigrants in the region was between 25 and 34 years of age, which was 9 percent higher than the share in the region's total population. In contrast, just 6.8 percent of the region's foreign born population was 65 years and over, compared to 14.1 percent of the total population.

Population by Age Grou Foreign Born Population	Total Population						
Central Minnesota	Number	Percent	Percent				
Under 5 years	430	1.7%	6.5%				
5-14 years	2,862	11.2%	14.2%				
15-24 years	4,380	17.1%	13.7%				
25-34 years	5,689	22.2%	12.4%				
35-44 years	4,747	18.5%	12.5%				
45-54 years	3,466	13.5%	14.0%				
55-64 years	2,346	9.1%	12.7%				
65-74 years	964	3.8%	7.9%				
75 years & over	773	3.0%	6.2%				
Total, Foreign Born	25,657	100.0%	100.0%				
Source: U.S. Census Bureau, 2013-2017 American Community Survey							

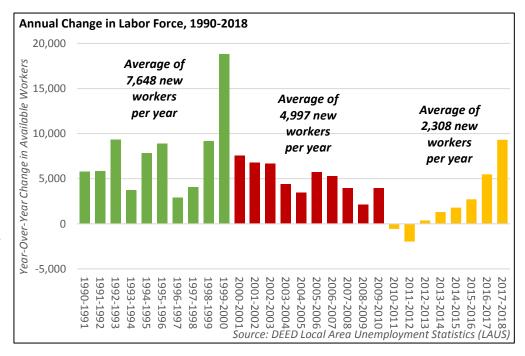


Statewide, 72.2 percent of the foreign born population aged 16 years and over was actively participating in the labor force, which was actually higher than the native born population (69.6%). In Central Minnesota, that would equal just over **15,500 available immigrant workers**, comprising about **3.9 percent** of the region's workforce.

In the face of increasingly tight labor markets, a growing scarcity of workers is now recognized as one of Central Minnesota's most significant barriers to sustained economic growth. Because of these constraints, it has become evident that immigration has been and will continue to be a vital source of the workforce that employers need to succeed. Immigrants have become critical to Central Minnesota's economy, providing a rapid stream of new workers in the face of an aging native-born workforce. While the region's overall labor force was still growing, the number of immigrant workers in the region would have increased by more than 4,800 workers from 2010 to 2017.



After averaging a net gain of 7,648 additional labor force participants per year between 1990 and 2000, employers were able to tap into a large and growing pool of talented workers. The region peaked with 397,166 workers in 2018, a gain of 145,000 workers since 1990. However, from 2001 to 2018, Central Minnesota's labor force growth began to slow, averaging just over 2,300 new workers per year so far this decade.



Recently released labor force projections from the Minnesota State Demographic Center suggest this trend will become even more apparent in the years ahead, with Central Minnesota expected to lose almost 3,200 workers between 2020 and 2030. This will make it even more challenging for employers to grow, but will also shine a light on the importance of immigration.

Removing Barriers to Growth

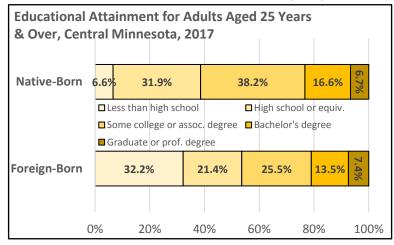
One challenge to assimilating in a new culture is language, but many new Minnesotans have made headway. About 78 percent of immigrants in Central Minnesota reported speaking a foreign language, but many of them also had some ability to speak English. Three-fourths (73.8%) reported being able to speak English "well" or "very well", while the others spoke English "not well" or "not at all."

Over half (53.6%) of foreign-born residents aged 25 years and over in the region had a high school diploma or less. This is a sizeable number and shows that many immigrants may need access to education to be prepared for the workforce, where jobs for high school graduates are in high demand. However, foreign born adults also had a comparable percentage of bachelor's degrees or higher, helping to fill other high demand openings in health care and computer-related fields.

Ability to Speak English for the Foreign Born Population 5 Years & Over, Central Minnesota, 2017



Source: U.S. Census Bureau, 2013-2017 American Community Survey Estimates





Perhaps due in part to the language and educational barriers described above, immigrants were much more likely to work in certain occupational and industry groups than native born workers. For example, foreign born workers were found more often in service occupations, which includes healthcare support, protective service, food preparation and serving, building and grounds cleaning, and personal care occupations. Immigrants were also more concentrated in production, transportation, and material moving occupations.

Some of these occupations are already showing critical workforce shortages in Minnesota, including personal care and nursing, psychiatric, and home health aides as well as computer and construction related occupations. Along those same lines, foreign born workers were much more likely to be found working in industries like manufacturing, leisure and hospitality, and administrative support and waste management services which includes temporary staffing services. In contrast, immigrants were less likely to be employed in retail trade, public administration, finance, real estate, and construction.

Top Occupations Employing Foreign Born Workers in Central Minnesota							
	Foreign Born	Estimated	Regional				
	Share of Total	Immigrant	Median				
Occupation	Employment*	Employment	Wage				
Personal Care Aides	18.4%	1,544	\$12.49				
Nursing, Psychiatric, & Home Health Aides	15.4%	1,280	\$14.18				
Miscellaneous Assemblers & Fabricators	26.4%	1,257	\$16.65				
Janitors & Cleaners	16.7%	808	\$13.80				
Butchers & Meat, Poultry, & Fish Cutters	39.5%	675	\$15.30				
Packaging & Filling Machine Operators	38.0%	665	\$16.85				
Hand Packers & Packagers	35.8%	627	\$11.45				
Maids & Housekeeping Cleaners	26.2%	346	\$11.59				
Cooks	18.8%	288	\$12.17				
Postsecondary Teachers	19.3%	262	\$31.43				
Software Developers, Applications & Systems	30.3%	255	\$40.71				
Physicians & Surgeons	22.0%	187	\$112.51				
Miscellaneous Agricultural Workers	17.9%	181	\$12.52				
Taxi Drivers & Chauffeurs	31.3%	141	\$12.51				
Miscellaneous Personal Appearance Workers	64.2%	135	\$11.13				
Computer Systems Analysts	17.8%	103	\$34.32				
Computer & Information Systems Managers	16.8%	66	\$51.44				
Computer Programmers	23.0%	58	\$35.00				
Biomedical Engineers	22.3%	N/D	N/D				
Miscellaneous Media & Communication Workers	63.6%	N/D	N/D				

Source: <u>U.S. Census Bureau</u>, <u>DEED Occupational Employment Statistics (OES) program</u>
* - foreign-born share of total employment by occupation in Minnesota

Wherever they work, these new Minnesotans are a vital part of the region's economy, providing rapid growth to an otherwise aging and slowing labor force. Immigrants have proven to be ready and willing contributors, with high and rising labor force participation rates. While some have educational and language barriers to certain jobs, there are a variety of occupations, including many that are already in critical need of workers, where immigrants already contribute in significant numbers. In the years ahead, it is likely that labor force constraints will require that every employer consider our growing foreign-born population as a source of the workforce they will need.



For more information about the importance of immigration in Central Minnesota, contact:

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